

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF)	APPEAL NO. 13-A-1018
DOUGLAS DAVIS from a decision of the Adams)	
County Board of Equalization for tax year 2013.)	FINAL DECISION
)	AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing September 27, 2013 in Council, Idaho before Board Member Leland Heinrich. Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision. Appellant Douglas Davis appeared at hearing. Assessor Stacy Swift Dryer and Senior Appraiser Shar Armistead appeared for Respondent Adams County. This appeal is taken from a decision of the Adams County Board of Equalization (BOE) modifying the protest of valuation for taxing purposes of property described by Parcel No. RP14N01W150073A.

The issue on appeal is the market value of a manufactured home property.

The decision of the Adams County Board of Equalization is modified.

FINDINGS OF FACT

The total assessed value is \$148,324. Appellant requests the total value be reduced to \$110,000.

The subject property is 1.6 acres improved with a 2006 manufactured home. The parcel is located in Indian Valley, Idaho.

Appellant purchased subject in a foreclosure sale for \$82,500 in mid-2012. Appellant received an original assessment notice with a total assessed value of \$174,365. Later, the County lowered the total assessed value to \$162,349. Appellant appealed to the BOE, wherein BOE lowered the assessed value to \$148,234.

Appellant believed the value reached by BOE was a cost approach value from the independent appraisal report provided by Appellant. The Residential Appraisal Report, dated May 24, 2012, concerned the subject property. Four (4) 2011 sales and one (1) 2012 sale were examined in the appraisal. All the comparable sales consisted of manufactured homes with sale prices between \$60,000 and \$96,000 for residences consisting of 1,144 to 2,128 square feet. Adjustments were made for differences from subject. Gross adjustments ranged from 49% and 171%. The appraisal indicated a value of \$110,000 for subject using the sales comparison approach. Using the cost approach, a \$148,382 value was concluded.

Lastly, Appellant contested Respondent's measurement of the subject residence. Respondent has the manufactured home measured at 2,072 square feet. Appellant provided subject was actually 1,802 square feet. Respondent offered to re-measure and reevaluate subject. New measurements revealed the residence was 1,744 square feet.

Respondent provided information on five (5) sales in the area. Three (3) sales took place in 2012 with sale prices ranging from \$84,000 to \$130,000. The remaining two (2) sales took place in 2011 with sale prices of \$96,000 and \$90,500. Subject was rated as a class 6 by the assessor with all the sales being reported as class 5. Two (2) sales were foreclosure properties and the County adjusted the sale prices upward by 1.42%.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value, or as applicable exempt status. This

Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires that taxable property be assessed annually at market value on January 1 of the relevant tax year. Market value is defined in Idaho Code § 63-201:

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Appellant purchased subject in mid-2012 for \$80,125 in a bank sale. Appellant provided an independent fee appraisal report which examined five (5) sales of manufactured home properties. Adjustments were made to the sale properties for differences from subject. Net adjustments ranged from 21% and 41%. The appraisal indicated a value of \$110,000 for subject using the sales approach. The adjustments were high on some of the sales showing limited comparability.

Respondent presented five (5) sales of class 5 manufactured home properties for comparison with subject. Sale prices ranged from \$84,000 to \$130,000. Respondent also provided the median assessed value per square foot for manufactured homes in the area was \$45.15.

There appeared to be a discrepancy as to the square footage of subject's residence. It was discovered the correct measurement should be 1,744 square feet. The Board will

adopt this new measurement. Using this new measurement and applying something closer to the median price per square foot, we find a total assessed value of \$129,939 more in line with both parties' best sales information.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Adams County Board of Equalization concerning the subject parcel be, and the same hereby is, MODIFIED to reflect a decrease to \$129,939.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

DATED this 16th day of January, 2014.